



## FISCAL MEMORANDUM

### HB 1199 - SB 1303

March 12, 2023

**SUMMARY OF BILL AS AMENDED (004696):** Extends eligibility for tuition reimbursements provided to members of the Tennessee National Guard under the *STRONG Act of 2017* to include Lincoln Tech (formerly Nashville Auto Diesel College) for members enlisted and enrolled prior to December 31, 2020. Sets forth limitations and conditions on eligibility for the tuition reimbursement. The expansion is repealed on July 1, 2024.

### FISCAL IMPACT OF BILL AS AMENDED:

**Increase State Expenditures - Exceeds \$70,100/FY23-24/STRONG Act**

**Other Fiscal Impact – Approximately \$626,100 of the initial appropriation for the *STRONG Act* had not been expended as of June 30, 2022.**

Assumption:

- The proposed legislation will allow a student to receive reimbursement for tuition for up to 24 semester hours attempted.
- For purposes of this analysis, 24 semester hours is equivalent to two semesters or one year of education at institutions of higher education.
- Based on information found on the Lincoln Tech website, the annual cost of tuition is up to \$35,035 depending on the program.
- The precise number of individuals that were previously enrolled in the college and were also a National Guard member prior to December 31, 2020 is unknown.
- It can be reasonably assumed that at least two persons will meet qualification of the legislation and application deadlines and will receive reimbursement in FY23-24.
- Tuition reimbursements under the *STRONG Act* are expended from a dedicated fund created in FY17-18 with an initial appropriation of \$8,959,000.
- The Strong Act is repealed on June 30, 2025, unless reenacted or extended by the General Assembly prior to that date.
- The increase in *STRONG Act* expenditures is estimated to exceed \$70,070 (\$35,035 tuition x 2 Guardsmen) which will be absorbed within the existing fund balance.
- The Governor's recommended budget document for FY23-24 shows \$2,340,800 in FY21-22 expenditures and recommends a \$3,000,000 budget for FY23-24. Approximately \$626,110 of the initial appropriation for the *Strong Act* has not been expended as of June 30, 2022.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner". The signature is written in a cursive, flowing style.

Krista Lee Carsner, Executive Director

/lm